

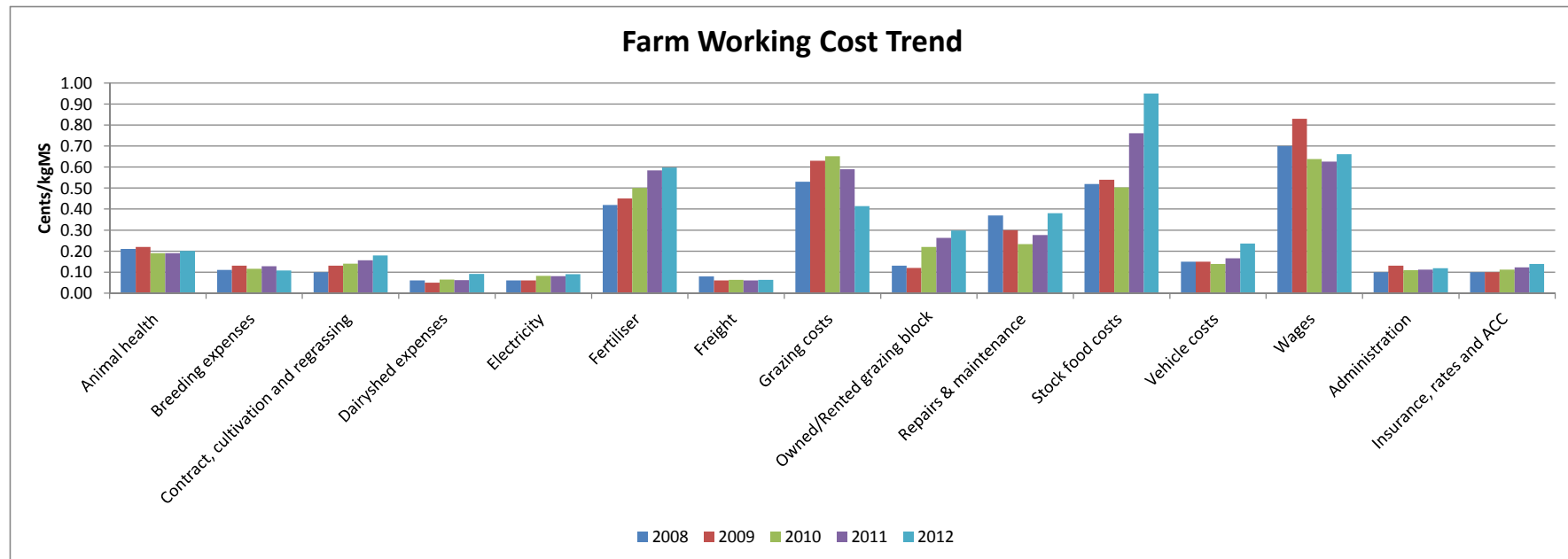
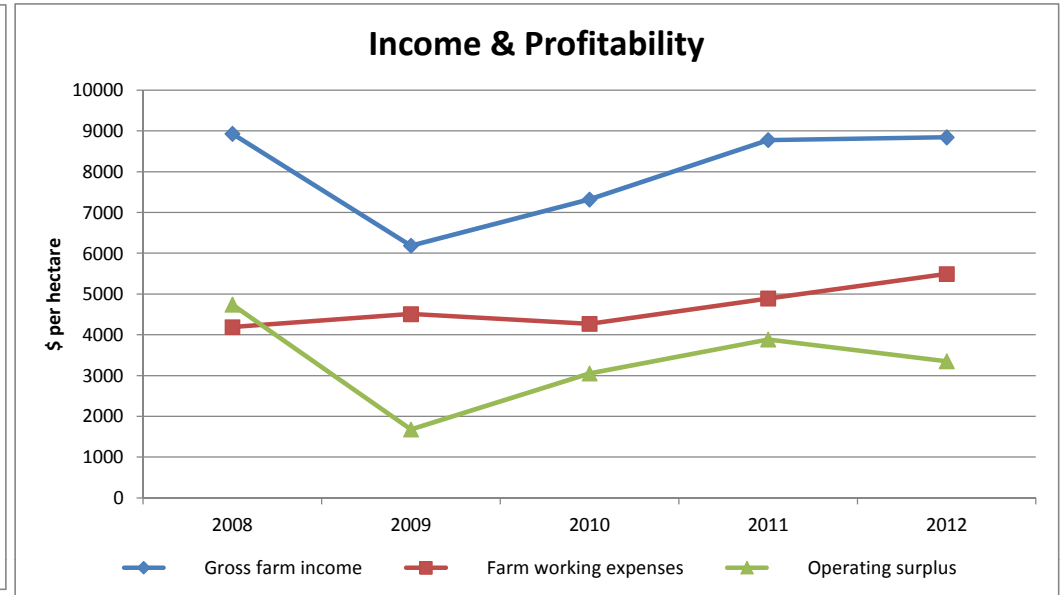
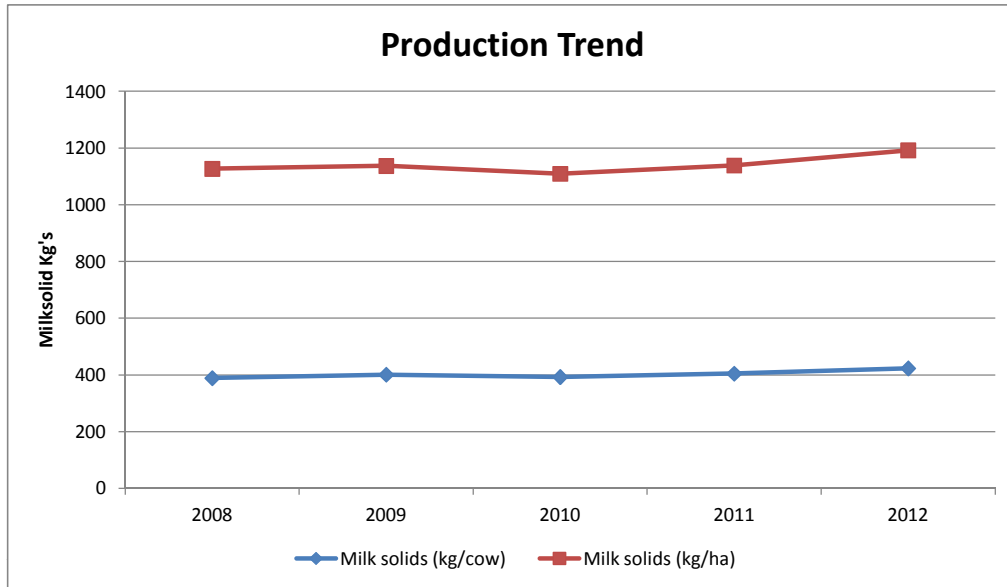


2012 Dairy Farm Statistics	Owners average	Owners top 20%	50/50 s/milkers average	50/50 s/milkers top 20%	LOSM & c/milkers average	Owners with 50/50 s/milkers	Owners with LOSM & c/milkers
PRODUCTION DATA							
Effective milking hectares	211	172	194	159	198	186	209
Runoff hectares	115	96	60	42	18	21	72
Cattle on hand at year end	809	723	769	729	54	40	746
Peak cows milked	594	542	575	499	583	551	605
Cows per milking hectare	2.82	3.14	2.96	3.14	2.95	2.96	2.89
Milk solids (kg)	251,499	238,173	227,875	206,837	237,184	221,118	243,466
Milk solids (kg/cow)	423	440	397	415	407	402	402
Milk solids (kg/ha)	1,192	1,382	1,175	1,303	1,200	1,190	1,164
Milk solids price (\$/kg)	6.76	6.85	3.42	3.43	1.32	3.43	6.81
Average calf price (\$)	41	46	37	42	14	0	28
Average cull cow price (\$)	620	680	614	505	405	0	458
FINANCIAL ANALYSIS							
Per milking hectare							
Gross farm income	8,845	10,430	4,955	6,628	1,655	4,201	8,517
Farm working expenses	5,493	5,555	3,287	3,635	896	2,052	5,578
Operating surplus	3,352	4,875	1,668	2,993	759	2,149	2,939
Economic farm surplus	2,957	4,208	1,408	2,274	353	1,978	2,141
Per Cow							
Gross farm income	3,142	3,320	1,673	2,110	561	1,417	2,942
Farm working expenses	1,951	1,768	1,110	1,157	304	692	1,927
Operating surplus	1,191	1,552	563	953	257	725	1,015
Per Milk solids (kg)							
Gross farm income	7.42	7.55	4.22	5.09	1.38	3.53	7.32
Farm working expenses	4.61	4.02	2.80	2.79	.75	1.72	4.79
Operating surplus	2.81	3.53	1.42	2.30	.63	1.81	2.53
PROFITABILITY							
Milk sales income	1,700,335	1,631,205	778,340	709,596	313,280	757,397	1,657,556
Cattle trading ⁺	129,356	160,646	140,954	287,650	5,939	4,197	94,447
Gross farm income	1,866,471	1,797,902	961,361	1,052,201	327,060	780,366	1,781,583
Farm working expenses	1,159,123	957,593	637,709	577,124	177,043	381,192	1,166,769
Interest	431,295	421,006	83,522	119,566	19,813	200,459	335,806
Net farm trading profit*	276,054	419,303	240,130	355,511	130,203	198,714	279,008
Personal expenses	86,132	69,012	58,424	75,066	69,327	68,711	67,385
Net plant purchases	84,180	44,728	75,368	90,625	12,489	8,936	30,071
EXPENSES (\$/kgms)							
Animal health	.20	.15	.26	.25	.01	.00	.19
Breeding expenses	.11	.12	.15	.14	.00	.00	.12
Contract, cultivation and regrassing	.18	.17	.11	.06	.00	.04	.13
Dairyshed expenses	.09	.07	.05	.05	.03	.00	.03
Electricity	.09	.08	.09	.09	.06	.00	.02
Fertiliser	.60	.55	.19	.24	.01	.42	.57
Freight	.06	.04	.05	.06	.00	.01	.06
Grazing costs	.41	.45	.40	.35	.03	.41	.87
Owned/Rented grazing block	.30	.27	.09	.11	.01	.07	.19
Repairs & maintenance	.38	.28	.10	.16	.02	.33	.30
Stock food costs	.95	.81	.32	.37	.05	.23	.63
Vehicle costs	.24	.18	.19	.21	.10	.02	.10
Wages	.66	.46	.51	.41	.31	.00	1.33
Administration	.12	.10	.10	.12	.06	.07	.08
Insurance, rates and ACC	.14	.17	.05	.05	.03	.09	.11
Farm working expenses	4.61	4.02	2.80	2.79	.75	1.72	4.79
Farm working expenses as % of GFI	62%	53%	66%	55%	54%	49%	65%
Interest	1.68	1.79	.26	.43	.05	.87	1.33
Interest paid as % of GFI	23%	24%	6%	8%	3%	25%	18%
OTHER DATA							
Total farm capital (land, stock & plant)	10,870,740	9,927,412	2,126,797	2,575,281	141,325	7,479,610	10,200,896
Return on total farm capital	5.8%	7.6%	13.8%	18.3%	107.5%	4.9%	4.6%
Increase (decrease) in term liabilities	429,264	(30,072)	118,651	320,282	72,783	334,678	162,771
Term liabilities per kgms	23.34	21.56	3.65	6.38	.56	14.34	17.78
Min farm trading profit req. for viability	321,522	212,459	115,340	157,915	102,690	172,145	184,615

2012 Sheep, Beef & Deer Farm Statistics	Average < 3000 su	Top 20% < 3000 su	Average 3000 su > 5000 su	Top 20% 3000 su > 5000 su	Average > 5000 su	Top 20% > 5000 su
PRODUCTION DATA						
Effective Area (ha)	189	202	441	308	1,161	548
Sheep on hand at year end	1,817	2,424	3,308	3,835	5,855	5,831
Cattle on hand at year end	39	10	88	20	326	52
Deer on hand at year end	166	162	142	0	415	0
Ave. stock units carried	2,124	2,516	3,838	3,780	8,191	5,843
Ave. stock units per ha	11.2	12.5	8.7	12.3	7.1	10.7
Lambing %	142%	152%	134%	135%	135%	139%
Ave. lamb price	112.20	116.85	106.83	117.66	109.49	117.75
Ave. ewe price	106.75	110.49	107.05	113.07	114.17	116.89
Total wool production (kg)	9,080	12,221	16,473	20,535	26,491	28,627
Wool production per sheep stock unit (kg)	5.5	5.5	5.3	5.8	5.1	5.6
Average wool price per kg	3.87	3.76	3.91	3.79	4.11	3.77
FINANCIAL ANALYSIS						
Per hectare						
Gross farm income	1,684	2,019	1,232	1,946	938	1,768
Farm working expenses	807	725	666	919	478	726
Operating surplus	877	1,295	566	1,026	460	1,043
Economic farm surplus	432	886	407	712	500	820
Per stock unit						
Sheep - Gross Profit	141.73	164.19	141.26	148.95	143.24	168.80
Cattle - Gross Profit	92.22	145.12	56.40	32.06	117.80	140.16
Deer - Gross Profit	23.67	16.04	16.98	0.00	36.06	0.00
Gross farm income	149.82	161.91	141.48	158.65	132.92	165.84
Farm working expenses	71.82	58.12	76.44	74.98	67.70	68.05
Operating surplus	78.00	103.79	65.03	83.68	65.22	97.79
PROFITABILITY						
Sheep trading ⁺	209,303	307,906	372,709	462,365	641,456	740,203
Wool sales	35,156	45,916	64,334	77,759	108,953	107,938
Cattle trading ⁺	23,053	17,312	28,445	9,710	198,079	41,272
Deer trading ⁺	27,332	25,290	15,531	0	68,740	0
Grazing, cropping and other	23,362	10,933	62,001	49,881	71,491	79,559
Gross farm income	318,207	407,356	543,020	599,715	1,088,720	968,971
Farm working expenses	152,545	146,216	293,404	283,406	554,542	397,615
Interest and rent	37,641	28,431	62,868	75,301	163,172	168,415
Net farm trading profit*	112,863	215,819	160,473	218,967	330,569	363,547
Personal expenses	60,134	57,744	62,590	75,762	85,246	58,711
Net plant purchases	30,453	30,052	41,308	53,117	69,853	56,537
EXPENSES (\$/su)						
Animal health	4.88	3.83	5.49	7.58	4.92	6.03
Fertiliser	16.13	10.98	10.94	13.09	16.26	12.21
Freight	1.31	.96	1.70	1.74	1.67	1.12
Repairs & maintenance	9.03	7.97	10.08	6.59	7.54	8.82
Shearing	5.11	5.18	6.31	6.30	6.59	7.58
Stock feed	5.15	4.46	5.93	5.22	4.48	4.02
Vehicle	10.13	9.05	8.16	8.19	8.39	9.88
Wages	2.55	1.53	4.68	12.16	6.41	5.08
Administration	4.99	4.32	3.09	2.77	2.62	3.07
Insurance, rates and ACC	5.70	5.11	4.55	5.90	3.80	5.05
Farm working expenses	71.82	58.12	76.44	74.98	67.70	68.05
Farm working expenses as % of GFI	48%	36%	54%	47%	51%	41%
Interest & rent	17.72	11.30	16.38	19.92	19.92	28.82
Interest and rent paid as % of GFI	12%	7%	12%	13%	15%	17%
OTHER DATA						
Total farm capital (land, stock & plant)	3,320,876	4,594,445	4,798,982	7,108,750	9,261,422	7,204,100
Return on total farm capital	2.6%	4.2%	4.5%	3.2%	4.6%	6.4%
Increase (decrease) in term liabilities	(3,520)	(8,911)	24,686	6,066	134,211	169,997
Term debt as % of total farm capital	12%	2%	16%	16%	21%	25%
Min farm trading profit req. for viability	102,681	91,065	113,066	130,000	169,766	128,836

Dairy Owner Operator - Five year trend

Date updated: 31/05/2013



Farm Stats Interpretation Guide

FINANCIAL ANALYSIS

Operating surplus = gross farm income – farm working expenses

Economic farm surplus = net farm trading profit – (interest and rent + labour adjustment)

- The labour adjustment is added when client is an owner operator and is included where working owners are not paid for their labour. It is calculated as follows:-

Peak cows milked x \$140 labour rate

If less than \$30,800 use \$30,800

If between \$30,801 and \$69,999 calculate peak cows milked x \$140

If greater than \$70,000 use \$70,000 as maximum labour adjustment

PROFITABILITY

Milk sales income = total milk income – Dairy Insight fee + Fonterra dividend (if any)

Cattle account surplus = cash surplus from accounts +/- change in value of livestock on hand

- Bare in mind this change in value is always based on herd values, never national standard cost which is why it could be different to accounts.
- Farm working expenses are as per accounts but not including depreciation.
- Interest expenses should match up to accounts. If any inter entity interest is paid then this is backed out.

Net farm trading profit = gross farm income (GFI) – farm working expenses – interest – plant and machinery depreciation – owned runoff adjustment

- The owned runoff adjustment is calculated as if the runoff was leased so that it is comparable to other entities that lease their run off and there is a separate line for this in expenses section of our stats.

Owned runoff adjustment = market value of runoff land x 5%

Personal expenses = drawings + private share expenses

- Current account items that are non cash are not included in this line as it represents the actual money withdrawn from the entity throughout the year.
- Net plant purchases exclude land and land development asset purchases.

OTHER DATA

- Total farm capital – This is a combination of land, plant and stock.
 - Land – Current market value based on location and size
 - Stock – Herd value
 - Plant – Closing book value from asset schedule in accounts

Return on farm capital = (economic farm surplus per Ha x effective Ha) ÷ total farm capital

- Increase (decrease) in term liabilities is change from last year to this year in term liabilities not including inter entity loans.
- Minimum farm trading profit required for viability is calculated to show the profit before tax required so that the farm can meet tax of 25% and debt obligations over 20 years. It is calculated as follows:-

= [(Term liabilities ÷ 20 years) + total drawings] ÷ 75%